

12 VIDEO DEPOSITION OF ALVARO GONZALO ALVAREZ

HIGHLY CONFIDENTIAL

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16 | Reported by: Anne Torreano, CSR No. 10520

1 Q. So for example, different types of engineer?

2 A. Absolutely.

3 Q. And with how many VPs do you do that  
4 currently?

09:41:53 5 A. Today? Two.

6 Q. Who are the two?

7 A. Johny Srouji.

8 Q. Okay. And?

9 A. Mike Culbert.

09:42:07 10 Q. And then who did you work with to decide what  
11 job requisitions needed to be opened when you were  
12 recruiting manager in product operations?

13 A. In product operations it was Sabih Khan, Rita  
14 Lane, Nick Florenza, Chip Hills, Tony Blevins, Dan  
09:42:54 15 Rosckes and Jeff Williams.

16 Q. And do you have any role -- strike that.

17 Have you had any role as a recruiting manager  
18 at Apple in determining what salaries would be  
19 associated with open job requisitions?

09:43:29 20 A. Yes.

21 Q. In what way?

22 A. Delivering a recommendation to the clients.

23 Q. And by "clients," you mean the --

24 A. Like today would be hardware engineering.

09:43:50 25 Q. So you refer to the people at Apple who are

1 asking you to fill job roles as "clients"?

2 A. Yes, as the team I support.

3 Q. Do you always make a recommendation on what  
4 salaries should be associated with a job requisition  
09:44:17 5 when it's opened?

6 A. No. Goes by candidate, not requisition.

7 Q. So you recommend salaries that should be paid  
8 once Apple's interested in hiring a candidate?

9 MR. TUBACH: Vague and ambiguous.

09:44:44 10 THE WITNESS: Once a candidate's been  
11 identified, yes.

12 BY MR. DALLAL:

13 Q. For purposes of making an offer?

14 A. Correct.

09:44:52 15 Q. So once a candidate has been identified for  
16 employment in the areas for which you or your  
17 organization within recruiting is responsible, do you  
18 always make some type of salary recommendation?

19 A. Can you rephrase that question?

09:45:17 20 Q. Well, once Apple has identified a candidate  
21 and is to the stage of putting together an offer for a  
22 part of the company that you or your organization's  
23 responsible for, do you always make a recommendation on  
24 salary?

09:45:46 25 A. Myself or my recruiters.

1 Q. So someone from the recruiting organization  
2 always --

3 A. That is correct.

4 Q. How do you go about making those  
09:45:57 5 recommendations?

6 A. There's a lot of things that go into play.

7 Q. Like what, for example?

8 A. Internal equity is one, one of many.

9 Q. What do you mean by "internal equity"?

09:46:07 10 A. What the population of -- let's say if a  
11 candidate's coming in at a certain level, we look at  
12 someone in that organization at that level to see what  
13 everybody's making. So who's the low, the average and  
14 the high. That's what internal equity is.

09:46:23 15 There's a lot of calibration to it, so there's  
16 a lot of avenues that we take to come up with that  
17 recommendation.

18 Q. Do you ever look at competing offers that a  
19 candidate might have?

09:46:44 20 A. Yes.

21 Q. Do you ever look at any survey data?

22 MR. TUBACH: Vague and ambiguous.

23 THE WITNESS: Can you clarify?

24 BY MR. DALLAL:

09:46:52 25 Q. Are you familiar with, for example, the

1 Radford survey?

2 A. I'm familiar with the company, yes.

3 Q. So do you ever look at any survey data from  
4 Radford or similar companies?

09:47:09 5 A. No.

6 Q. Have you ever?

7 A. Yes.

8 Q. While you were at Apple?

9 A. Not at Apple, no.

09:47:19 10 Q. And how do you go about finding out what other  
11 employees are making at Apple when you're trying to  
12 make a recommendation consistent with internal equity?

13 A. Asking the candidate directly.

14 MR. TUBACH: Why don't you ask your question  
09:48:02 15 again.

16 MR. DALLAL: Yeah, could you just read back  
17 the question, please?

18 RECORD READ AS FOLLOWS:

19 "Q. And how do you go about finding out what  
09:48:16 20 other employees are making at Apple when  
21 you're trying to make a recommendation  
22 consistent with internal equity?"

23 THE WITNESS: Oh, Apple. Sorry.

24 So at Apple we have access -- again, looking  
09:48:24 25 at internal equity, as a recruiting leader we have

1 switch the video.

2 THE VIDEOGRAPHER: We're going off record at  
3 4:43. This is the end of video No. 3.

4 (RECESS TAKEN.)

04:48:39 5 THE VIDEOGRAPHER: We're back on the record at  
6 4:48. This is the beginning of video No. 4.

7 (DEPOSITION EXHIBIT 1376 MARKED.)

8 BY MR. DALLAL:

9 Q. Mr. Alvarez, I'm handing you what's been  
04:49:54 10 marked as Exhibit 1376. It is a multipage document.  
11 It begins with 231APPLE039426. It extends through  
12 231APPLE039428. Probably would have been nice if it  
13 extended a few more pages due to there being a larger  
14 font size, but that's not something I can do anything  
04:50:27 15 about.

16 So if you would, please review this document,  
17 and I'm going to ask you about some of the material  
18 mainly on page 2, but please review as much of it as  
19 you like, holding it as close as you need, given the  
04:50:52 20 limitations here.

21 A. I reviewed the document.

22 Q. Do you recognize this document?

23 A. Yes.

24 Q. Can you tell me what it is?

04:54:17 25 A. It's an e-mail exchange between at that time

1 my recruiter Felicia Albright and one of the hiring  
2 managers, Rob York, and myself.

3 Q. Did you receive all these e-mails?

4 A. Yes.

04:54:32 5 Q. I just want to direct your attention to the  
6 e-mail toward the bottom of page 2, where it says, "On  
7 December 17th, 2010 at 12:37, Rob York wrote."

8 A. Mm-hmm, yes, I see it.

9 Q. He says, "I am not willing to go so high of a  
04:55:11 10 salary when compared to his peer group."

11 So in setting salaries that would be  
12 components of offers for candidates Apple was  
13 interested in hiring, was what a candidate's peer group  
14 was receiving an important consideration?

04:55:47 15 A. That's what we call internal equity.

16 Q. So as you understand internal equity, was  
17 Mr. York's comment consistent with that principle?

18 MR. TUBACH: Lacks foundation.

19 THE WITNESS: Can you repeat the question.

04:56:08 20 BY MR. DALLAL:

21 Q. Well, if you just look at what Mr. York says,  
22 which is, "I am not willing to go so high of a salary  
23 compared to his peer group," is that a statement that  
24 you regard as being consistent with the principle of  
04:56:19 25 internal equity?

1 A. Being consistent? No.

2 Q. Why not?

3 A. I think it's a one-off remark from Rob York,  
4 saying he's just looking at -- saying we should  
04:56:31 5 reconsider our offer recommendations based on internal  
6 equity.

7 Q. So is it fair to say that it's not  
8 inconsistent with the principle of internal equity?

9 A. Can you rephrase the question?

04:56:45 10 Q. Do you regard Mr. York's statement as somehow  
11 inconsistent with the principle of internal equity?

12 A. Yes.

13 Q. How so?

14 A. Not all -- some of our offer -- most of our  
04:57:09 15 recommendations that come from recruiting are compared  
16 internal equity. We always compare that. It's the  
17 first thing we do. And we compare other areas as  
18 well. And so by Rob saying, "I'm not willing to go so  
19 high of a salary compared to his peer group," we  
04:57:26 20 already considered internal equity.

21 So that comment's typically not referred to us  
22 on a consistent base or a common base.

23 Q. I have to admit I don't really understand your  
24 answer.

04:57:49 25 A. We don't get that -- we don't receive those

## 1 REPORTER'S CERTIFICATE

2 I, Anne Torreano, Certified Shorthand Reporter  
3 licensed in the State of California, License No. 10520,  
4 hereby certify that the deponent was by me first duly  
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6 and was thereafter transcribed with computer-aided  
7 transcription; that the foregoing is a full, complete,  
8 and true record of said proceedings.

9 I further certify that I am not of counsel or  
10 attorney for either or any of the parties in the  
11 foregoing proceeding and caption named or in any way  
12 interested in the outcome of the cause in said caption.

13 The dismantling, unsealing, or unbinding of  
14 the original transcript will render the reporter's  
15 certificates null and void.

16 In witness whereof, I have subscribed my name  
17 this 15th day of March, 2013.

18  
19 [ ] Reading and Signing was requested.

20 [ ] Reading and Signing was waived.

21 [X] Reading and Signing was not requested.

22

23

24 \_\_\_\_\_  
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